

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1484

IN THE MATTER OF:

Application of GREYHOUND)	Served January 6, 1976
AIRPORT SERVICE, INC., for)	
Authority to Change Its)	Application No. 893
Tariff)	

By Application No. 893, filed December 8, 1975, Greyhound Airport Service, Inc. (Greyhound) seeks approval of WMATC Tariff No. 15 which would cancel its current WMATC Tariff No. 14. Greyhound's proposed WMATC Tariff No. 15 would establish fares for service to be operated between Dulles International Airport (Dulles) and the Mayflower Hotel, Sheraton Park Hotel and the Shoreham Americana Hotel located within Washington, D. C.

Greyhound holds Certificate of Public Convenience and Necessity No. 7. That Certificate authorizes the transportation of persons, together with their baggage, between Washington National Airport (National) and Dulles on the one hand, and on the other, points within the Metropolitan District. Greyhound's WMATC Tariff No. 14 indicates the service which currently is being offered to the public by Greyhound under its Certificate authority. See Order No. 1321, served April 25, 1974. With respect to that tariff, Greyhound offers limousine service between National and specified hotels and motels within Washington, D. C., and Montgomery County, Maryland, and between Dulles and specified hotels and motels within Montgomery County, Maryland. It also offers coach service between Dulles and specified hotels and motels in Washington, D. C.

The proposed WMATC Tariff No. 15 would modify the current WMATC Tariff No. 14 in two substantial aspects of Greyhound's current service. First, the proposed tariff would provide for either limousine or coach service between Dulles and either Washington, D. C., or Montgomery County, Maryland. Thus, the proposed tariff would modify the current tariff by permitting Greyhound to operate coach service between Dulles and specified hotels and motels within Montgomery County, Maryland, and limousine service between Dulles and specified hotels and motels within Washington, D. C. Second, the proposed tariff would provide for either service to be operated from Dulles to the Shoreham Americana Hotel and to Dulles from the Mayflower Hotel, Sheraton Park Hotel, and Shoreham Americana Hotel. Greyhound submits that this additional service would be provided in accordance with the representations made to the Commission in connection with its protest to Application No. 871 of Executive Limousine Service, Inc.

The Commission believes that the public interest would justify the provision of additional service as set forth in WMATC Tariff No. 15. However, Title II, Article XII, Section 6(a)(1) of the Compact provides, inter alia, as follows:

In determining whether any proposed change shall be suspended, the Commission shall give consideration to, among other things, the financial condition of the carrier, its revenue requirements, and whether the carrier is being operated economically and efficiently.

The Commission has determined that the proposed WMATC Tariff No. 15, to be effective January 7, 1976, shall be suspended.

By Order No. 1471, served November 3, 1975, the Commission granted Application No. 881 of Greyhound and approved WMATC Tariff No. 14. That tariff essentially increased the per capita fares by twenty-five cents for limousine service and coach service. In support of that application, Greyhound stated that the fare increase was essential to assure that the public would continue to have available transportation service between Dulles or National and the specified hotels or motels set forth in WMATC

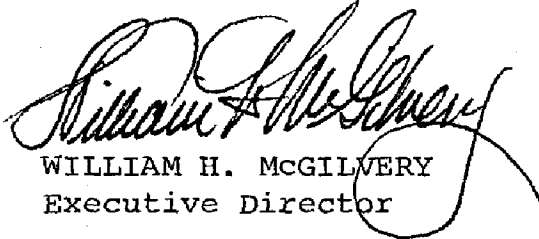
Tariff No. 14. Greyhound submitted that approval of the proposed fare increase would enable it to conduct operations at a marginal profit. Greyhound also submitted that it would be forced to curtail service if Application No. 881 were denied. Greyhound did not submit as support for its application any analysis of the effect of the proposed tariff changes upon the marginal profit projected in Commission Order No. 1471. Greyhound should submit such analysis, properly documented, to the Commission for its consideration.

As part of its presentation in opposition to Applications No. 871 and 872 of Executive Limousine Service, Inc., Greyhound submitted a breakeven analysis for service between Dulles and Washington, D. C., and a breakeven analysis for service between Dulles and Montgomery County, Maryland. The breakeven analyses indicate that fewer passengers per trip need to be transported on service between Dulles and Montgomery County, Maryland, than on service between Dulles and Washington, D. C. The service between Dulles and Montgomery County, Maryland, is currently being provided in vans whereas the service between Dulles and Washington, D. C., is currently being provided in coaches. Although the fares for service between Dulles and Montgomery County, Maryland are twenty-five cents more than the fares between Dulles and Washington, D. C., Greyhound did not submit as support for its application any breakeven analysis of the effect of instituting coach service between Dulles and Montgomery County, Maryland, or limousine service between Dulles and Washington, D. C. Greyhound should submit such analysis, properly documented, to the Commission for its consideration.

Greyhound stated as part of its opposition to Applications No. 871 and 872 of Executive Limousine Service, Inc., that Greyhound had not originated service from Dulles to the Shoreham Americana Hotel or from the Mayflower Hotel or Shoreham Americana Hotel to Dulles because the number of persons who would use such services would not generate compensatory revenues. Greyhound has not submitted as support for its application any analysis of the revenue to be generated by the provision of the proposed service or the expense to be incurred in rendering such service. Greyhound should submit such analysis, properly documented, to the Commission for its consideration.

THEREFORE, IT IS ORDERED that WMATC Tariff No. 15 which would cancel WMATC Tariff No. 14 of Greyhound Airport Service, Inc., be, and it is hereby, suspended effective January 7, 1976, for a period of 90 days, through Tuesday, April 6, 1976, unless otherwise ordered.

BY DIRECTION OF THE COMMISSION:



WILLIAM H. MCGILVERY
Executive Director